

Earthquake Insurance

What is earthquake insurance?

It provides coverage if your home is damaged by an earthquake. Your standard homeowner and renters policies will not cover earthquake damage. Earthquake insurance is a separate endorsement you must buy and add to your homeowner or renters policy.

An earthquake endorsement generally excludes damages or losses from floods and tidal waves – even when caused or compounded by an earthquake. However, if you experience a loss due to a landslide, settlement, mudflow, or the rising, sinking and contracting of earth, your endorsement may cover it if the damage resulted from an earthquake.

How earthquake coverage works

Unlike most homeowner or renters policies, earthquake insurance is designed to cover catastrophic damage. Insurers normally sell it with deductibles equaling 10 to 25 percent of the structure's policy limit.

This limit works much like the deductibles on your auto insurance. The insurance only pays for damages that exceed the deductible. However, unlike car insurance, some earthquake policies treat contents and structure separately. You may have a separate deductible for each of the following:

- the contents
- the structure
- unattached structures like garages, sheds, driveways or retaining walls

Not all policies are alike. You should compare the coverage differences between companies to get the coverage that fits your needs.

What to expect from insurers when buying an earthquake policy

Some insurers may require an inspection of your property before they will agree to issue a policy. For example, many companies require and will check to see that your home is bolted to its foundation – a practice that wasn't required by building codes until the early 1960s.

Other factors an insurer might consider include:

- The location and bracing of interior walls
- Strapping guards to secure fixtures, such as water heaters
- The method used to mount shelves on walls

Many of these improvements are not expensive, while others can be expensive and may require a contractor. You need to think about your individual situation before you decide to take on construction improvements to qualify for earthquake insurance.

Additionally, requirements vary from insurer to insurer. And some insurers may even waive construction changes if you are willing to buy coverage with a higher deductible.

Earthquake insurance may not be available immediately after an earthquake

When a significant earthquake occurs in an area, insurers often suspend new sales. The suspension may last several days, or until the likelihood of damaging aftershocks diminishes. Earthquake insurance sales usually resume once the threat of aftershocks pass.

What you can do to minimize damage before an earthquake occurs

- Make sure your water heater, gas appliances, and other such fixtures are fastened securely.
- Ensure bookcases, wall hangings, and hanging plants are secure and fastened to walls and ceilings.
- Make sure you have a family “emergency plan” and all family members know what they should do if an earthquake occurs. Designate a meeting place outside the home where family members can gather once the danger has passed.
- Designate a distant relative or friend who can serve as a point of contact and communication for you and your family members if you get separated.
- Plan ahead. Keep flashlights, batteries, and candles on hand. Make sure you have a portable radio.
- When shopping for earthquake insurance, ask the company to help you identify possible repairs and other improvements that will make your home safer and minimize damage.
- Everyone in your house should know how to turn off utilities (electricity, water, and gas) at the home.

What to do when an earthquake strikes

If you are inside when an earthquake hits, stay inside and get under a heavy table or desk. Stay away from windows. Do not evacuate the building unless emergency personnel direct you to leave.

- If you are outside, get away from buildings and power lines, and remember that stone and masonry facings can break loose and fall away from upper parts of buildings
- If an earthquake occurs, watch for items that might break and fall, especially glass items. Broken glass on the floor causes many of the injuries people suffer in the aftermath of an earthquake, and

glass-filled carpet is hazardous long after the danger of an earthquake passes.

- If you are in a car, stop safely away from structures, large trees, power lines, and other hazards. Stay inside the vehicle.
- Don't use candles until gas lines are checked. Also, check all areas of your home before you use certain utilities, such as water and electric, sewage connections, and even chimneys.
- Don't tie up phone lines except to report emergencies.
- Be prepared. Remember that you will need food and water, even for the short term. Keep your family together and stay alert for aftershocks.

More earthquake resources

For more information about how you can prepare for an earthquake, check out the following resources:

Washington Military Department/Emergency Management Division
Building 20
Camp Murray, WA 98430-5122
1-800-562-6108

Homeowner earthquake checklist:

<http://emd.wa.gov/1-dir/pubed/home-prep/home-prep-idx.htm>

Federal Emergency Management Agency
Federal Regional Center, Region 10
130 228th St. SW
Bothell, WA 98021-9796
(425) 487-4600
<http://www.fema.gov/>

The Office of the Insurance Commissioner can help you!

If you have any questions or need additional information about your rights, call our Insurance Consumer Hotline at

1-800-562-6900

or visit our Web site at

<http://www.insurance.wa.gov/>